Joining Trade Block with African Countries

1678. DR. K. MALAISAMY:
SHRI S.P.M. SYED KHAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a bilateral agreement was signed for India to join the Trade Block with South Africa, Bostonia, Lesotho, Nambia and Switzerland, during the recent visit of Deputy President of South Africa;

(b) if so, what is the progress and effect of such agreement; and

(c) whether the agreement holds any modifications or improvments from our experience and if so, which are the areas?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) No, Sir.

(b) and (c) Does not arise.

Revival package for plantation

1679. SHRI THENNALA G. BALAKRISHNA PILLAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have any proposal for the revival package for plantaions;

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes, Sir.

(b) A Special Purpose Tea Fund (SPTF) has already been created for replantation and rejuvenation of old and uneconomic tea plantations in the Country. The Scheme is to be implemented till the end of 11th Plan in the first phase with an estimated outlay of Rs. 567.10 crores to be provided by the Government. Under the scheme, the borrower is required to contribute only 25% of the cost. 50% will be loan from SPTF and 25% subsidy from the Government. The estimated area to be taken up for

replantation/rejuvenation during the period would be 85,044 hectares comprising replanation in 68,154 hectares and rejuvenation in 16,890 hectares.

Similar schemes like that of Tea for other major plantation crops have already been announced in the Budget for 2007-08.

Losses due to tax incentives given to SEZs

†1680. SHRI AMIR ALAM KHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of tax concessions provided by Government in the Special Economic Zones and the export sectors;

(b) the extent of annual revenue loss being suffered by Government through these tax incentives;

(c) whether Government are aware of the possible misuse of the tax incentives of SEZ scheme by the companies;

(d) if so, the details thereof;

(e) whether Government propose to curtail the tax incentives and make the rules stringent;

(f) if so, the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) The Special Economic Zones (SEZ) and units set up there in are eligible for tax concessions as per the provisions of Section 26 of the SEZ Act, 2005 which besides income tax exemption to developer on his income for any 10 years out of first 15 years and to unit on export profits for a limited period include exemption from Central Excise and Customs duties and Service Tax, as the case may be, on all goods and services required for the authorized operations. The export sector in general is eligible for either exemption from input duties or refund of the same in the form of drawback, rebate of Duty Entitlement Passbook (DEPB) Scheme as

†Original notice of the question was received in Hindi.